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11 September 1951

RECOMMENDED TERMS OF REFERENCE FOR THE
PETROLEUM INTELLIGENCE ADVISORY GROUP
OF THE ECONOMIC INTELLIGENCE COMMITTEE

1. The Economic Intelligence Committee (EIC) has established a Petroleum Intelligence Advisory Group (PIAG) to advise it on matters pertaining to petroleum supply and demand on world areas outside of the Soviet Bloc.
2. The membership shall consist of individuals who are members of the staffs of government agencies. The individual members and their alternates shall be designated by the EIC with the concurrence of the individuals and approval of the agencies concerned. The PIAG may recommend changes in the membership of the committee.
3. The PIAG shall select its own chairman to serve for such a period of time as it determines. The permanent secretariat shall be provided by the Central Intelligence Agency (CIA). Security regulations shall be provided by the Secretariat.
4. The PIAG shall advise and report to the EIC and its subcommittees on questions proposed or approved by the EIC. The PIAG may decline to act on any question presented to it by the EIC.

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SUBJECT: The Strategic Importance of the Far East to
the United States

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THE PROBLEM

To assess the immediate and long range strategic
importance of the Far East to the United States.

SCOPE

I. MILITARY FACTORS IN THE FAR EAST BEARING ON THE STRATEGIC
ASSESSMENT OF THE AREA BY THE UNITED STATES

Scope to be prepared by G-2 in coordination with
with Air Force and Navy.

II. Economic factors in the far east bearing on the strategic
assessment of the area by the United States

- A. Importance to the United States of the raw materials
and strategic resources of Japan, China, Korea,
Philippine Islands, Indo-China, Thailand, Burma,
Malaya, and Indonesia
- B. Effect on the United States military-industrial
potential were the strategic raw materials now ob-
tained from the Far East to be denied
- C. Extent to which United States exports to the countries
of the Far East contribute to the economic stability
of the countries concerned
- D. Effects within these countries were they denied
trade with the United States
- E. Economic, including political-economic, factors in
the Far East, such as aspirations for nationalization
of key industries and raw material producing facili-
ties, which may adversely affect United States
security interests in the Far East in 1952, 1953.
Specify factors, countries and, when pertinent,
areas within countries, where danger exists.

III. POLITICAL, IDEOLOGICAL OR PSYCHOLOGICAL CONSIDERATIONS
BEARING ON THE STRATEGIC ASSESSMENT OF THE AREA BY THE
UNITED STATES

Scope to be prepared by CIA and STATE

DISTRIBUTED BY MR. KULLGREN (ARMY) AT EIC MEETING,
13 SEPTEMBER 1951